



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER OF PATENTS AND TRADEMARKS
Washington, D.C. 20231
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/223,901	12/31/1998	JAY S. WALKER	WD2-98-084	4361

22927 7590 01/14/2003

WALKER DIGITAL
FIVE HIGH RIDGE PARK
STAMFORD, CT 06905

EXAMINER

ROBINSON BOYCE, AKIBA K

ART UNIT	PAPER NUMBER
----------	--------------

3623

DATE MAILED: 01/14/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/223,901

Applicant(s)

WALKER, ET AL

Examiner

Akiba K Robinson-Boyce

Art Unit

3623

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 21 October 2002.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-66 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-66 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other:

DETAILED ACTION

Status of Claims

1. In response to the communication received 10/21/02, the following is a final office action. Claims 1-66 are pending in this application and have been examined on the merits. The previous rejection that was mailed out 4/17/02 has been maintained.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1-3, 5-8, 10-17, 20-26, 28-33, 37-47, 50, 54-57, 59-66 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker, et al. (US Patent 6,018,639) ,and further in view of Fisher, et al (US Patent 6,243,691).

As per claims 1, 2, 20, 21, 24-26, 31, 50, 59, 61-66, Walker, et al discloses:
identifying a product/receiving an identification of a product/means for
identifying...receiving a bid/a second bid/a prior bid.../transmitting a bid.../means for
receiving...(Col. 15, lines 32-36);

determining before the auction closes, based on a reward rule/based on the bid.../means for determining before the auction closes...transmitting, to the bidder, an indication.../means for transmitting.../receiving before the auction session closes a penalty....(Col. 16, lines 5-12, Col. 9, lines 62-Col. 10, line 15).

a storage device...(Col. 7, lines 7-22);

Walker, et al. does not specifically disclose that his process is repeated for a second bidder, however, this feature is inherent with his system because since the system includes more than one entity trying to make a purchase, it is logical to repeat the method for the next bidder, which is the second bidder.

Walker, et al fails to teach the following, however Fisher, et al discloses:

Receive a reward other than the product...(Col. 10, lines 41-47);

It would have been obvious to one of ordinary skill in the art to receive a reward other than the product with the motivation of distinguishing between the merchandise that was bid upon and a special offer to actually convince bidders to bid .

As per claims 3, 14, 22, Walker, et al. discloses:

determining whether the bid is greater than each of a plurality of remaining bids/prior bid...determining which of the at least one bids is a greatest...(Col. 6, lines 55-59).

As per claim 5, Walker, et al. discloses:

wherein the reward rule comprises a condition that the bidder accept an offer provided by a third party...(Col. 15, lines 59-62).

As per claim 6, Walker, et al. discloses:

a second product...receiving an acceptance of the offer...(Col. 15, line 65-Col. 16, line 11).

As per claims 7, 40, 56, Walker, et al. discloses:

wherein the...product is a service...(Col. 1, lines 35-37).

As per claim 8, Walker, et al. discloses:

wherein the service is a credit card account...(Col. 9, line 62-Col. 10, line 15).

As per claim 10, Walker, et al. discloses:

determining whether the bidder has an acceptable credit history...(Col. 10, lines 16-26).

As per claims 11, 12, Walker, et al. discloses:

receiving at least one bid for the product from each of a plurality of remaining...wherein the step of receiving at least one bid is performed prior...(Abstract, lines 5-8).

As per claim 37, Walker, et al. discloses:

receiving personal data...(Col. 8, lines 12-21).

As per claim 38, Walker, et al. discloses:

verifying...(Col. 8, lines 22-25).

As per claims 39, 57, Walker, et al. discloses:

one of a telecommunications network and the Internet...(Col. 6, lines 41-57).

As per claim 41, Walker, et al. discloses:

providing the reward...(Col. 16, lines 15-16).

As per claim 42, Walker, et al. discloses:

receiving, from the bidder, a payment...(Col. 16, lines 17-22).

As per claim 54, Walker, et al. discloses:

receiving an identification...(Col. 15, lines 32-36);

transmitting a bid...(Col. 15, lines 38-39);

Walker, et al fails to teach the following, however Fisher, et al discloses:

Receive a reward other than the product...(Col. 10, lines 41-47);

It would have been obvious to one of ordinary skill in the art to receive a reward other than the product with the motivation of distinguishing between the merchandise that was bid upon and a special offer to actually convince bidders to bid .

As per claim 55, Walker, et al. discloses:
receiving the product...(Col. 16, lines 15-16).

As per claim 60, Walker, et al. discloses:
A computer data signal...(Col. 6, lines 15-27, lines 41-54, Col. 7, lines 7-20).

Walker, et al fails to teach the following, however Fisher, et al discloses:

Receive a reward other than the product...(Col. 10, lines 41-47);

It would have been obvious to one of ordinary skill in the art to receive a reward other than the product with the motivation of distinguishing between the merchandise that was bid upon and a special offer to actually convince bidders to bid .

As per claims 15, 16, 23, 28-30, neither Walker, et al. or Fisher, et al. specifically disclose:

the bid from the bidder is greater than the greatest bid by a certain percentage/currency value.../the bid exceed a prior bid by a predetermined value...
Official notice is taken that it is old and well known in the auctioning art for the bid from the bidder to be greater than the greatest bid by a certain percentage or currency value. It would have been obvious to one of ordinary skill in the art for the bid from the bidder to be greater than the greatest bid by a certain percentage or currency value because it is common to have some kind of reference value in order to determine what a high bid for an item is in a particular auction.

As per claim 17, neither Walker, et al. or Fisher, et al. specifically disclose:
wherein the reward rule comprises a condition that the bid is the first received bid...

Official notice is taken that it is old and well known in the auctioning art for the bid to be the first received bid. It would have been obvious to one of ordinary skill in the art for the bid to be the first received bid because it is traditional in auctions to receive bids in the order that they come in.

As per claims 32, 33, neither Walker, et al. or Fisher, et al. specifically disclose:
measuring a time...the bidder is qualified to receive the reward when the time is greater than a predetermined value...determining whether the time between the bid and the previous bid is greater than the predetermined value...

Official notice is taken that it is old and well known in the auctioning art to measuring the time between a bid and a previous bid, and to determine if the bidder is qualified to receive the reward when the time is greater than a predetermined value. It would have been obvious to one of ordinary skill in the art to measure the time between a bid and a previous bid, and to determine if the bidder is qualified to receive the reward when the time is greater than a predetermined value because this would ensure that the auction/product purchase session does not go on past a certain time.

As per claim 43, neither Walker, et al. or Fisher, et al. specifically disclose:
wherein the payment is determined from a parallel auction...

Official notice is taken that it is old and well known in the auctioning art to determine the payment from a parallel auction. It would have been obvious to one of ordinary skill in the art to determine the payment from a parallel auction because this payment price would be close to the average price. Parallel auctions are commonly used as backbones for auctions that presently take place.

As per claim 44, neither Walker, et al. or Fisher, et al. specifically disclose:
receiving, from the bidder, a payment to extend the auction session...

Official notice is taken that it is old and well known in the auctioning art to receive, from the bidder, a payment to extend the auction session. It would have been obvious to one of ordinary skill in the art to receive, from the bidder, a payment to extend the auction session because it is common in the auctions of the present for a bidder to pay for his/her time. This would increase the flow of funds/payments towards the company/business.

As per claim 46, neither Walker, et al. or Fisher, et al. specifically disclose:
terminating the reward if a higher bid is received...

Official notice is taken that it is old and well known in the auctioning art to terminate the reward if a higher bid is received. It would have been obvious to one of ordinary skill in the art to terminate the reward if a higher bid is received because since the highest bid is the prizewinner, the lower bid would automatically become disqualified.
flow of funds/payments towards the company/business.

As per claim 47, neither Walker, et al. or Fisher, et al. specifically disclose:
wherein the reward rule includes a condition that the reward is issued randomly.

Official notice is taken that it is old and well known in the auctioning art for the reward to be issued randomly. It would have been obvious to one of ordinary skill in the art for the reward to be issued randomly so it wouldn't be redeemed all at once. Since the participant would be in repeated contact with the auction/ bidding/offer session, the chances of the participant participating in other bidding sessions would increase.

Art Unit: 3623

4. Claims 4, 9, 18, 19, are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker, et al. (US Patent 6,018,639) and further in view of Fisher, et al (US Patent 6,243,691) , and further in view of Walker, et al (US Patent 6,049,778).

As per claim 4, 9, 18, both Walker, et al. '639 and Fisher, et al fail to teach the following, however Walker, et al '778 discloses:

a value of currency...(Col. 10, lines 34-38).

It would have been obvious to one of ordinary skill in the art to comprise the reward of a value of currency because this is a traditional way of rewarding a customer in the promotion art. This type of promotion will give the customer/bidder more incentive to continue to purchase/bid.

As per claim 19, Walker, et al. '639 fails to teach the following, however Walker, et al '778 discloses:

wherein the reward corresponds to a difference between the bid and a greatest bid...(Col. 10, lines 38-41).

It would have been obvious to one of ordinary skill in the art to have the reward correspond to a difference between the bid and a greatest bid because this is the amount in which the highest bidder goes over the normal bid price. Since the highest bidder is the one who is rewarded, it is logical to reward the bidder with the amount the he/she has put out to win.

5. Claims 27, 34, 35, 36, 48, 49, 58, are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker, et al. (US Patent 6,018,639), and further in view of Fisher, et al (US Patent 6,243,691) and further in view of Barzilai, et al (US Patent 6,012,045).

As per claim 27, 34, 35, 36, 48, both Walker, et al. and Fisher, et al fail to teach the following, however Barzilai, et al discloses:

wherein historic participation corresponds to...an amount of profit...comparing a participation history of the bidder.../measuring the historic participation.../a requirement that the bidder has participated in a t least one previous...(Col. 12, line 67-Col. 13, line 24).

It would have been obvious to one of ordinary skill in the art to compare a participation history of the bidder and award the product based on the comparison because this would encourage the bidder to continue his/her participation. It would also have been obvious to one of ordinary skill in the art to use the amount of profit earned from the bidder as historic participation because this information will reveal if the bidder is likely to come back to another session. This information is also bidder-specific and will be useful when pulling up bidder files.

As per claims 49, 58, Walker, et al. fails to teach the following, however Barzilai, et al discloses:

receiving/transmitting an encrypted indication...(Col. 8, lines 20-32).

It would have been obvious to one of ordinary skill in the art to receive or transmit an encrypted indication of a time the bid was transmitted because this information would help enforce a time limit during a bidding session and would encourage bidders to submit bids early in order to receive certain types of rewards for early submissions.

6. Claims 51-53 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker, et al. (US Patent 6,018,639), and further in view of Fisher, et al (US Patent 6,243,691) and further in view of Pionchon (US Patent 5,200,890).

As per claims 51-53, both Walker, et al. and Fisher, et al fail to teach the following, however Pionchon discloses:
wherein the penalty rule comprises a condition that the bid is less than a current high bid/less than a predetermined value...making the bidder ineligible to continue...(Col. 7, lines 15-24).

It would have been obvious to one of ordinary skill in the art to apply the penalty rule and make the bidder ineligible to continue if the bid is less than a current high bid because the lower bid cannot qualify for an award. Since the opposite of an award is a penalty, the penalty rule would be applicable in this case.

Response to Arguments

7. Applicant's arguments filed 10/21/02 have been fully considered but they are not persuasive.

As per claims 1, 61-63, 54 and 60, the applicant argues that Fisher or any other reference of record fail to disclose "rewards other than products". However, the Fisher reference discloses that during an electronic auction, the system awards the merchandise to the successful bidders at different prices (See Col. 10, lines 33-57). This type of award is different from just awarding merchandise to the bidder. This type of award rewards the bidder with a discount for the merchandise since the successful bidders are guaranteed the merchandise at the lowest price paid by any other

successful bidder. Thus, Fisher discloses that a reward in the form of a discount is awarded to bidders that bid on merchandise.

As per claims 50, 59, 64-66 and 51-53, the applicant argues that the "penalty" limitation is not disclosed by the examiner's rejection. However, as discussed on page 3 of the last office action mailed 4/17/02, the "penalty" limitation is discussed by Walker '639 in Col. 9, line 62-Col. 10, line 15. Here, Walker discloses that if the buyer ultimately fails to purchase the requested item once the CPO is accepted by a seller, the buyer can be charged a fee or penalty. In this case, when the buyer actually purchases the requested item, this action is analogous to submission of the CPO or bid for that item since the purchase is being made under the conditions of that particular CPO. In the instant case, the penalty rule is represented by whether or not the buyer actually purchases or fails to purchase the requested item. Also, this penalty is applied before the auction closes. Since the action of the buyer actually purchasing the requested item is analogous to the submission of the CPO or bid as discussed above, when the buyer fails to make the purchase, and the penalty is applied, this occurs before the bid closes since the buyer has not yet made the purchase.

The applicant also argues that the Pionchon reference has nothing at all to do with auctions and according to the applicant, there is no motivation to combine it with any other reference of record. However, the Pionchon reference is combinable with Walker '639 and Fisher et al references since all three references disclose the entry and processing of bids. Pionchon does deal with playing a game, but this game is based on

players and opponents placing bids against each other and the application of rules to determine the best bid (See Col. 2, line 55-Col. 3, line 2).

As per claims 50, 54, the applicant argues that the claims have been amended to recite that the determination of the penalty is performed before the auction closes. The applicant argues that in Walker, et al, the determination of the bidder receiving a penalty is done after the auction closes. However, in Walker, et al, the penalty is charged before the auction closes. An auction is closed once both parties come to a decision on the item up for bid. Once the buyer accepts an offer, the auction is closed. In Walker, et al, the buyer has not made a decision and has not accepted an offer. The buyer has only requested the item and stated a description of the desired good(s) and the seller has only accepted this information, however, it is only after the buyer accepts the offer from the seller that the auction will be closed.

Finally, the applicant requests references to describe the officially noted subject matter. The first official notice taken by the examiner in the last office action is located on page 6 where it states official notice is taken that it is old and well known in the auctioning art for the bid from the bidder to be greater than the greatest bid by a certain percentage or currency value. The Fisher et al reference makes this limitation obvious in Col. 9, lines 43-56 where it is disclosed that the highest remaining bid from a bidder is marked as successful and if the bid is below the minimum bid allowed, the bid is marked as unsuccessful meaning that in order for a bid to be successful, it must be greater than the minimum bid allowed which in this case is the highest remaining bid. The second official notice taken by the examiner in the last office action is located on page 6 where

Art Unit: 3623

it states "official notice is taken that it is old and well known in the auctioning art for the bid to be the first received bid". This limitation is met by the Belden et al reference (EP 0 388 162 A2) in Col. 15, lines 26-32 where it discloses a priority box in which bids of the first member is placed and automatically becomes the first bid or offer hit. The third official notice taken by the examiner in the last office action is located on page 7 where it states official notice is taken that it is old and well known in the auctioning art to measure the time between a bid and a previous bid. This limitation is met by the Scholldorf reference (EP 0 411 748 A2) on page 9, line 46-Page 10, line 11 where it discloses that bids are entered into the system in a time order and are time stamped. With this type of information available, the time between a first bid on the right most and the last bid on the left most can easily be determined. The fourth official notice taken by the examiner in the last office action is also located on page 7 where it states that official notice is taken that it is old and well known in the auctioning art to determine the payment for a parallel auction. This limitation is met by the Baraldi reference titled "Efficient parallel algorithms for the minimum cost flow problem" in the abstract. Here, it is disclosed that the minimum cost is determined through a parallel auction algorithm. The fifth official notice taken by the examiner in the last office action is also located on page 7 where it states that official notice is taken that it is old and well known in the auctioning art to receive from the bidder a payment to extend the auction session. The Waren Publishing article titled "Budget Leaves Out Spectrum Fee" in the first paragraph discloses this limitation. Here, it is disclosed that users are charged spectrum fees in order for auction authority to be extended, thereby making it possible for the auction to

continue for a longer period of time. The fifth official notice taken by the examiner in the last office action is also located on page 8 where it states that official notice is taken that it is old and well known in the auctioning art to terminate the reward if a higher bid is received. The teachings of Fisher et al make this limitation obvious. Since Fisher et al discloses that the highest price bids are awarded in Col. 10, lines 32-37, it is obvious that the highest bid will claim the benefit that the lower bid had and will take the reward from the lower bid. The sixth official notice taken by the examiner in the last office action is also located on page 8 where it states that official notice is taken that it is old and well known in the auctioning art for the reward to be issued randomly. This limitation is disclosed by the ComputerWire Inc. article titled "Telecoms: Nextel and Intek Vie at FCC Wireless Auction" in the fifth paragraph. Here it is disclosed that in an auction environment, awards can be given through a random selection process.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Akiba K Robinson-Boyce whose telephone number is 703-305-1340. The examiner can normally be reached on Flex.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tariq Hafiz can be reached on 703-305-9643. The fax phone numbers for the organization where this application or proceeding is assigned are 703-746-7238 [After final communications, labeled "Box AF"], 703-746-7239 [Official Communications], and 703-746-7150 [Informal/Draft Communications, labeled "PROPOSED" or "DRAFT"].

Art Unit: 3623

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.



A. R.-B.

January 10, 2003



TARIQ R. HAFIZ
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600